COMP
L. Kristopher Rath (5749)
Hutchison & Steffen, LLC
Peccole Professional Park
10080 Alta Drive, Suite 200
Las Vegas, Nevada 89145
Telephone: (702) 385-2500
Facsimile: (702) 385-2086

Attorneys for Plaintiff
1st TECHNOLOGY LLC

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

1ST TECHNOLOGY LLC, Plaintiff, v. FB LICENSING, LTD., Defendant.	CV-S-07-__________ **COMPLAINT** **JURY DEMANDED**

COMPLAINT

Plaintiff, 1st Technology LLC ("1st Technology"), complains of Defendant, FB Licensing, Ltd. ("FB Licensing") as follows:

JURISDICTION AND VENUE

1. Jurisdiction exists under 28 U.S.C. § 1332(a)(2). There is complete diversity under said statute because Plaintiff 1st Technology is a Nevada limited liability company and FB Licensing is a Nevis Corporation, based in the country of St. Kitts and Nevis. The amount in controversy is over $75,000.00.

2. Defendant has transacted business in this judicial district by making, using, selling or offering to sell and distributing software products which violate 1st Technology's patent either

in this judicial district or in the United States, as set forth fully in Case No. 2:06-cv-01110-RLH-GWF, also on file in this district. Defendant also entered into a Settlement Agreement in the aforementioned case from this judicial district, which specifically states that said Agreement, which is the subject of this instant Complaint, is to be governed by the laws of the State of Nevada.

3. Venue is proper under 28 U.S.C. §§ 1391(a)(2) and 1391(d).

PARTIES

4. Plaintiff, 1st Technology, LLC, is a Nevada limited liability company with offices in Las Vegas, Nevada.

5. Defendant, FB Licensing, Ltd., is a Nevis corporation, having a place of business at PO Box 642, Main Street, Charleston, Nevis, St. Kitts and Nevis, in the West Indies.

FACTUAL BACKGROUND

6. On September 7, 2006, Plaintiff 1st Technology filed Case No. 2:06-cv-01110-RLH-GWF in the United States District Court for the District of Nevada (hereinafter referred to as the "Patent Litigation"). In the Patent Litigation, which is presently ongoing, 1st Technology sued Future Bet Systems, Ltd., an affiliate or subsidiary of FB Licensing. The patent lawsuit alleges that Future Bet and the other named Defendants had infringed United States Patent Number 5,564,001 entitled, "Method and System for Interactively Transmitting Multimedia Information Over a Network Which Requires Reduced Bandwidth" ("the '001 Patent"). Future Bet Systems, Ltd. was duly served with this Complaint.

7. Subsequent to service of the Complaint, Plaintiff and Future Bet entities initiated settlement discussions. They ultimately came to a settlement agreement which was reduced to writing.

8. On January 19, 2007, pursuant the settlement agreement, Plaintiff voluntarily dismissed Defendant Future Bet Systems, Ltd., pursuant to a Notice of Voluntary Dismissal under Federal Rule of Civil Procedure 41(a)(1).

9. On January 17, 2007, Plaintiff and FB Licensing, Ltd., entered into a Settlement Agreement and Patent License (hereinafter "Settlement Agreement" or "The Contract").

10. Among other issues, the Settlement Agreement required FB Licensing to pay to 1st Technology a sum of over $100,000.00.

11. The contract required that FB Licensing make an initial payment within forty-five (45) days after the effective date of the Settlement Agreement, making initial payment due no later than March 5, 2007.

12. In addition, the contract required FB Licensing to make thirty (30) additional monthly payments in the amount of $5,000.00 on the first of each month commencing on March 1, 2007.

13. As of the date of this Complaint, FB Licensing has made absolutely no payments required of it under the contract and, therefore, FB Licensing has breached and is in default on the contract.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

(Breach of Contract)

14. Plaintiff repeats and realleges paragraphs 1 through 13 above and incorporates them herein by reference as though they were fully set forth in the paragraph.

15. The Settlement Agreement and Patent License of January 17, 2007 constitutes a valid contract between Plaintiff and Defendant.

16. Plaintiff has performed all duties required of it under the contract.

17. Despite Plaintiff's notification to Defendant that it is in breach and default on the contract, Defendant has failed to perform its duties under the terms of the contract and Defendant has neglected, refused, and failed to fulfill those duties.

18. Defendant's actions constitute a breach of contract and directly and proximately caused Plaintiff to suffer damages in excess of $100,000.00.

19. Pursuant to the terms of the contract, the contract is governed by the laws of the State of Nevada, without reference to its choice of law provisions.

20. Plaintiff has been required to retain the services of an attorney to prosecute this matter and, as such, Plaintiff is entitled to its reasonable attorney's fees and costs incurred herein.

SECOND CAUSE OF ACTION

(Breach of Implied Covenant of Good Faith and Fair Dealing)

21. Plaintiff repeats and realleges paragraphs 1 through 20 above and incorporates them herein by reference as though they were fully set forth in the paragraph.

22. In every contract under Nevada law, including the Settlement Agreement and Patent License contract in the instant lawsuit, there is a duty of good faith and fair dealing owed by each contracting party.

23. Defendant breached its duty of good faith and fair dealing to Plaintiff, by, among other things, negotiating and executing a contract it never intended to honor.

24. Defendant's actions have directly and proximately caused Plaintiff to suffer damages in excess of $100,000.00.

25. Plaintiff has been required to retain the services of an attorney to prosecute this matter and, as such, Plaintiff is entitled to its reasonable attorney's fees and costs incurred herein.

THIRD CAUSE OF ACTION

(Unjust Enrichment)

26. Plaintiff repeats and realleges paragraphs 1 through 25 above and incorporates them herein by reference as though they were fully set forth in the paragraph.

27. Plaintiff acted with the legitimate expectation of royalty payments for Defendant's use of its patent.

28. Plaintiff was not acting gratuitously when it entered into the Licensing Agreement for use of the patent with Defendant.

29. To permit the Defendant to continue to retain the benefit of the use of the patent without compensating Plaintiff for such use of its patent will result in an unjust and unconscionable enrichment of Defendant at Plaintiff's expense and to Plaintiff's unjustifiable detriment.

30. Plaintiff has been required to retain the services of an attorney to prosecute this matter and, as such, Plaintiff is entitled to its reasonable attorney's fees and costs incurred herein.

JURY DEMAND

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, 1st Technology requests a trial by jury on all issues presented that can properly be tried to a jury.

WHEREFORE, Plaintiff, 1st Technology, asks this Court to enter judgment against Defendant Future Bet Systems, Ltd., and against their subsidiaries, affiliates, agents, servants, employees and all persons in active concert or participation with them, granting the following relief:

A. An award of damages adequate to compensate 1st Technology for the breach of contract, bad faith and unjust enrichment that has occurred, together with prejudgment interest from the date said breach of contract began;

B. All other damages permitted by law; and

C. Such other and further relief as this Court or a jury may deem proper and just.

DATED this 10th day of April, 2007.

Respectfully submitted,

L. Kristopher Rath (5749)
Hutchison & Steffen, LLC
Peccole Professional Park
10080 Alta Drive, Suite 200
Las Vegas, Nevada 89145

Attorneys for Plaintiff